

INSURANCE POLICY
FOR AFTER THE EVENT
LITIGATION COSTS INSURANCE

RECITAL

WHEREAS the **Insured** has made available to the **Insurer** via the **Insurer's** authorised agent, **First Legal Indemnity Limited** the **Proposal** dated [XXXXXXXX], declarations and statements (which **Proposal**, declarations and statements are, for the avoidance of doubt, deemed to be incorporated herein). Now, in consideration of the **Premium** specified in the **Schedule** having been paid (or agreed to be paid) by the **Insured** to the **Insurer** the **Insurer** hereby agrees (subject to the conditions, terms, exclusions, the **Indemnity Limit** and the **Deductible** contained in this **Policy**) to indemnify the **Insured** up to the **Indemnity Limit** contained in this **Policy** in respect of any **Litigation Costs** as specified in this **Policy** in relation to the **Legal Action**.

DEFINITIONS AND INTERPRETATION

- “Court”** means the **Court**, specified in the **Schedule**;
- “Damages”** means an award of monetary relief and/or the value of any interest in any property preserved;
- “Deductible”** means the amount specified in the **Schedule** for which the **Insured** is liable before the **Insurer** is liable to make any payment;
- “Deed of Indemnity”** any Deed of Indemnity issued by the **Insurer** in connection with the risks insured under this **Policy**;

- “Endorsements”** means any variation, adjustment or alteration of this **Policy** agreed in writing by the **Insurers** and endorsed in writing and attached to the **Schedule**;
- “First Legal Indemnity”** means **First Legal Indemnity Limited** the authorised agent of the **Insurer** under this policy;
- “Indemnity Limit”** means the sum set out in the **Schedule** being the maximum aggregate amount inclusive of interest and any VAT (if applicable) payable by the **Insurer** pursuant to this **Policy** of insurance in respect of the **Opponent’s Costs, Insured’s Costs** and less any outstanding **Premium** payable to the **Insurer**;
- “Insured”** means the individuals, incorporated entities, unincorporated entities, and/or other entity as specified in the **Schedule**;
- “Insured’s Costs”** means any costs and disbursements as specified in the **Schedule** reasonably and properly incurred by the **Insured** in the conduct of the **Legal Action** save to the extent that the same are payable by the **Opponent** or by any other party to the **Legal Action** pursuant to any Order of a **Court** or by any agreement;
- “Insurer”** means the insurers and their authorised agent **First Legal Indemnity Limited** named in the **Schedule**;

“Legal Action”	The Legal Action means any claim or claims made from time to time by any party, whether such claim is made as an applicant, Opponent or cross-claimant or otherwise, in the Legal Action specified in the Schedule or in any court proceeding which replaces that matter;
“Legal Representatives”	means the solicitor, Counsel or other legal or professional representative as specified in the Schedule instructed in the Legal Action ;
“Litigation Costs”	means (if specified in the Schedule) the Opponent’s Costs and/or the Insured’s Costs subject to the Indemnity Limit and the Deductible ;
“No Claims Bonus”	means the amount if specified in the Schedule which will be refunded to the Insured by the Insurer from the Premium in the event of a Settlement prior to the commencement of trial at no cost to the Insurer and there being no claim under this Policy ;
“Opponent”	means the individuals, incorporated entities, unincorporated entities or other entity as specified in the Schedule against whom the Insured is bringing the Legal Action ;

“Opponent’s Costs”

means the legal costs payable by the **Insured** to the **Opponent** pursuant to any compromise, Order of the **Court**, or Judgement in the **Legal Action**. For the avoidance of doubt:

- i) no compromise of the **Legal Action** shall be entered into by the **Insured** without the prior written consent of the **Insurer** such consent not to be unreasonably withheld;
- ii) all such costs will be assessed by the relevant authority if they have not been agreed in writing by the **Insurer** and the **Insured** hereby agrees to subrogate to the **Insurer** all rights (including, but not limited to, rights of assessment and enforcement) in respect of such costs and the **Insured** further agrees to use best endeavours to minimise the amount payable by the **Insured** to the **Opponent** as **Opponent’s Costs**;
- iii) the **Insurer** shall only be liable to pay interest on the **Opponent’s Costs** at the rate specified by the relevant **Court** from the date of the relevant Order if so specified in the **Schedule** subject always to the **Indemnity Limit** and the **Deductible**;
- iv) if an Order for costs is made by the **Court** or agreed between the **Insured** and the **Opponent** in the **Legal Action** whereby costs are payable by the **Insured** to the

Opponent and in the same or in **Related Proceedings** an Order for costs is made by the **Court** or agreed between the **Insured** and the **Opponent** whereby costs are payable by the **Opponent** to the **Insured**, then the Orders or agreements for costs shall be set-off, one against the other, and the **Insurer** shall only be liable to indemnify the **Insured** in respect of the balance (if any) of net costs payable by the **Insured** to the **Opponent**;

“Policy” means this **Policy** of **Litigation Costs** insurance, together with the **Schedule** and any **Endorsements**;

“Premium” means the sum payable by the **Insured** to the **Insurer** as specified in the **Schedule**; plus Insurance Premium Tax as specified in the **Schedule**;

“Proposal” means the Proposal Form and the accompanying documents as specified in the **Schedule**;

“Related Proceedings” means any proceedings relating to the **Legal Action** involving both the **Insured** and the **Opponent**;

“Schedule” means the **Schedule** attached to this **Policy**.

“Settlement” means a compromise of the **Legal Action** prior to commencement of the trial by agreement between the **Insured** and the **Opponent** with the prior written

agreement of the **Insurer** such consent not to be unreasonably withheld;

“Settlement Figure” The **Settlement Figure** which has been agreed by the **Insured** and the **Insurer** as the sum that the **Insured** would be prepared to accept in **Settlement** of the **Legal Action**;

- For reference purposes - the use of **bold** in this **Policy** indicates a defined term;
- Headings are for ease of reference only and shall not affect the construction or interpretation of the **Policy**;
- Words importing any gender include every gender and words importing the singular number include the plural number and vice versa;
- Where any obligation is undertaken by the **Insured** and the **Legal Representative**, the **Insured** agrees to procure performance of the obligation by the **Legal Representatives**;

1. **WARRANTIES**

The **Insured** warrants that throughout the period of the **Policy**:

- 1.1 the **Insured** and the **Legal Representatives** have made and will continue to make full disclosure and have provided and will continue to provide complete and accurate information to the **Insurer** in relation to all relevant and material matters in respect of which cover is provided under this **Policy**;

- 1.2 all written statements and declarations made by the **Insured** and/or the **Legal Representatives** to the **Insurer**, including but not limited to those made in the **Proposal** and declarations, are complete and accurate in all material respects and are conditions precedent to any liability of the **Insurer** to make payment under this **Policy**;
- 1.3 the **Insured** and the **Legal Representatives** will conduct the **Legal Action** with all due care and diligence and shall take all reasonable steps to minimise the costs and expenses payable by the **Insurer** under this **Policy**, including but not limited to complying with all Orders and Rules of the **Court** and following all proper and reasonable advice given by the **Legal Representatives** of the **Insured**;
- 1.4 Neither the **Insured** nor the **Legal Representative** will take any action which has the affect of surrendering or transferring any power control or interest over or in the **Legal Action** and agree not enter into any funding, loan, trust arrangements or any other type of agreement with any other party or non-party to assign, sell or otherwise deal with or grant an interest in the **Legal Action** or in the proceeds or fruits of the **Legal Action** without the prior written consent of the **Insurer** which consent may be withheld at the absolute discretion of the **Insurer**.

2. **CONDUCT OF LEGAL ACTION**

- 2.1 the **Insured** undertakes that the **Insurer** will at all reasonable times have direct access to the **Legal Representatives** and that the **Insured** and the **Legal Representatives** will co-operate fully with the **Insurer** and keep the **Insurer** informed in writing as promptly as is reasonably practicable of all material developments in the **Legal Action** including, but

not limited, to the following:

- 2.1.1 the contents of any pleadings or amended pleadings served in the **Legal Action**;
- 2.1.2 full details of any defence and/or counterclaim brought by the **Opponent**;
- 2.1.3 all material developments in discovery;
- 2.1.4 any evidence (whether factual or expert) which may adversely affect the merits of the **Insured's** prospects of success;
- 2.1.5 any lack of co-operation demonstrated by any witness which may adversely affect the merits of the **Legal Action** or the **Insured's** prospects of success;
- 2.1.6 any **Settlement** proposal or payment into **Court** made by the **Opponent**;
- 2.1.7 any written advice obtained from Counsel (whether adverse to the **Insured's** case or otherwise);
- 2.1.8 any material fact which comes to the attention of the **Insured** or the **Legal Representatives** concerning the means of the **Opponent** and/or the ability of the **Opponent** and/or the willingness of the **Opponent** to meet any Order for **Damages** and/or costs in the **Legal Action**;

- 2.1.9 any material alteration in the estimates of legal costs attached to the **Proposal** submitted in relation to this **Policy**.
- 2.2 at the request of the **Insurer** the **Insured** and/or the **Legal Representatives** will provide any information or documents in relation to the proceedings which the **Insurer** may from time to time reasonably require. In any event the **Insured** and/or the **Legal Representatives** may be required to provide the **Insurer** with a written assessment of the merits of the **Legal Action** to include advice on liability and quantum and, if required by the **Insurer**, a written opinion from Leading or (at the discretion of the **Insurer**) Junior Counsel upon final preparation for the hearing to determine the **Legal Action** and any costs or expenses incurred by the **Insured** in providing the above information, advice or documentation shall be met by the **Insured**;
- 2.3 The **Insured** and/or the **Legal Representatives** undertake to notify the **Insurer** of any material development in the **Legal Action**; and undertake to provide the **Insurer** with a written report at intervals and in a form to be agreed by the **Insurer** setting out developments in the **Legal Action** in any event such reports are to be provided at least once a month during the **Legal Action** and at least daily during the trial of the **Legal Action**.
- 2.4 the **Insurer** and the **Insured** will agree prior to the commencement of this **Policy** on the **Settlement Figure** which would be acceptable by the **Insured** in **Settlement** of the **Legal Action**. The **Settlement Figure** will be set out in a confidential legally professionally privileged letter written by the **Insured's** Solicitors to **First Legal**

Indemnity Limited and to be held by **First Legal Indemnity Limited**. The **Settlement Figure** may be reviewed from time to time and a new **Settlement Figure** may be agreed in writing between **First Legal Indemnity Limited** and the **Insured** during the course of the **Legal Action**, subject to the **Insured's** Leading Counsel providing a written opinion approving the new **Settlement Figure**. If, during the course of the **Legal Action**, the **Insured** shall refuse to accept an offer of **Settlement** equal to or greater than the **Settlement Figure** then the **Insurer** shall be entitled to increase the **Premium** or cancel the **Policy** by giving notice in writing to the **Insured**. If the **Insurer** increases the **Premium** in such circumstances, then the **Insured** may cancel the **Policy** by giving written notice to the **Insurer**, whereupon the **No Claims Bonus** will be payable by the **Insurer**. Where the **Policy** is cancelled, the **Insurer** will not be liable to indemnify the **Insured** in respect of **Litigation Costs** incurred before or after the date of cancellation. Under no circumstances will there be any return of the **Premium** other than when the **No Claims Bonus** is payable;

- 2.5 the **Legal Action** may only be terminated by discontinuance, agreement or Order strictly subject to the prior written consent of the **Insurer** such consent not to be unreasonably withheld;
- 2.6 the **Insured** is free to choose the **Legal Representatives** instructed in the **Legal Action** but will not change the **Legal Representatives** without the prior written consent of the **Insurer**, such consent not to be unreasonably withheld;

INTEREST: Insurers agree to pay on behalf of **Insured**:

3. **OPPONENT'S COSTS**

3.1 the **Opponent's Costs** (if and to the extent specified in the **Schedule**) are payable by the **Insurer** to the **Insured** if an Order for costs is made by the **Court** or (with the prior written approval of the **Insurer**) agreed between the **Insured** and the **Opponent** in the **Legal Action** whereby costs are payable by the **Insured** to the **Opponent**;

3.2 if in the **Legal Action** an Order for costs is made by the **Court** or (with the prior written approval of the **Insurer**) agreed between the **Insured** and the **Opponent** whereby costs are payable by the **Insured** to the **Opponent** and in the same or in **Related Proceedings** an Order for Costs is made by the **Court** or agreed between the **Insured** and the **Opponent** whereby costs are payable by the **Opponent** to the **Insured**, then the Orders or agreements for costs shall be set-off, one against the other, and the **Insurer** shall only be liable to indemnify the **Insured** in respect of the balance (if any) of net costs payable by the **Insured** to the **Opponent**;

3.3 if during the course of the **Legal Action** the **Court** assesses summarily the amount of **Opponent's Costs** and/or makes an Order for Payment by a specified date and/or by instalments and/or makes an interim award of costs, the **Insured** agrees to pay the **Opponent's Costs** pending the conclusion of the **Legal Action**;

3.4 the **Insurer** shall not be obliged to make any payment under this **Policy** in respect of the **Opponent's Costs** until the conclusion of the **Legal Action** and after any appeals

process has been exhausted, unless pending any appeals there is a refusal by the **Court** to stay any Order of the **Court** giving rise to a liability for **Opponent's Costs**;

3.5 the **Opponent's Costs** shall be assessed by the relevant authority unless the **Insurer** gives its consent in writing and agrees in writing the level of the **Opponent's Costs**;

3.6 the **Insured** subrogates to the **Insurer** all rights (including, but not limited to, rights of assessment and enforcement) in respect of the **Opponent's Costs** and the **Insured** undertakes to use best endeavours to minimise the amount payable by the **Insured** to the **Opponent** as **Opponent's Costs**;

3.7 in the event that any of the **Opponent's Costs** are payable by any other party to the **Legal Action** (or **Related Proceedings**) pursuant to any legal right, compromise, Order of the **Court** or Judgement in the **Legal Action** (or **Related Proceedings**), the **Insurer** will only be obliged to indemnify to the extent that such **Opponent's Costs** are not payable by the other party and subject always to the **Indemnity Limit** and the **Deductible**;

3.8 the **Insured** subrogates to the **Insurer** all rights (including, but not limited to, rights of assessment and enforcement) against any other party to recover the **Opponent's Costs** and undertakes to use best endeavours to assist the **Insurer** to maximise the amount recovered from that other party;

4. **INSURED'S COSTS**

4.1 **Insured's Costs** are payable by the **Insurer** to the **Insured** if and to the extent that such **Insured's Costs** are not payable by the **Opponent** by way of an award of monetary relief (whether by way of **Damages**, costs or otherwise) in the **Legal Action** at **Court** which is sufficient to pay all **Insured's Costs** or if any monetary relief (whether by way of **Damages**, costs or otherwise) payable in any **Settlement** agreed in writing by **Insurers** is insufficient to cover all **Insured's Costs**;

4.2 the **Insurer** shall not be obliged to make any payment under this **Policy** in respect of **Insured's Costs** until the conclusion of the **Legal Action** and after any appeals process has been exhausted. The **Insurer** is only obliged to indemnify in respect of the **Insured's Costs** specified in the **Schedule** subject always to the **Indemnity Limit**. The **Insured** and the **Legal Representatives** undertake not to incur the **Insured's Costs** other than in the necessary and proper conduct of the **Legal Action** and to use best endeavours to minimise the amount payable by the **Insurer** for the **Insured's Costs**. For the purpose of reviewing the **Insured's Costs**, the **Insured** shall ensure that the **Legal Representatives** allow the **Insurer** or its representatives to inspect in whole or in part any of the **Legal Representatives'** files in the **Legal Action**;

4.3 in the event that any of the **Insured's Costs** are payable by the **Opponent** or any other party to the **Legal Action** (or **Related Proceedings**) pursuant to any compromise, Order of the **Court** or Judgement in the **Legal Action** (or **Related Proceedings**), the

Insurer will only be obliged to indemnify to the extent that such **Insured's Costs** are not

payable by the **Opponent** or any other party and subject always to the **Indemnity Limit** and the **Deductible**;

4.4 the **Insured** subrogates to the **Insurer** all rights (including, but not limited to, rights of assessment and enforcement) against the **Opponent** or any other party to recover the **Insured's Costs** from the **Opponent** or any other party to the **Legal Action** (or **Related Proceedings**) and undertakes to use best endeavours to maximise the amount payable by the **Opponent** or by any other party to the **Legal Action** (or **Related Proceedings**) in respect of the **Insured's Costs**;

5. CONDITIONS

5.1 in the event that any **Opponent's Costs** and/or **Insured's Costs** payable by the **Insurer** during or on the conclusion of the **Legal Action** and after any appeals process has been exhausted exceed any **Damages** and costs awarded to the **Insured** by the **Court** in the same **Legal Action** (or in **Related Proceedings**), then the **Damages** and costs awarded to the **Insured** shall be applied to the **Opponent's Costs** and/or **Insured's Costs** and the **Insurer** shall only be responsible to indemnify the **Insured** in respect of the shortfall between (i) the **Opponent's Costs** and/or the **Insured's Costs** payable and (ii) any **Damages** and costs awarded to the **Insured** subject always to the **Indemnity Limit** and to the **Deductible**;

5.2 in the event that **Damages** and/or costs are recoverable by the **Insured**, the **Damages** and/or costs recoverable by the **Insured** shall be applied in the following order of priority: firstly, to repay **Insured's Costs** of the **Legal Action**, and secondly to **Opponent's Costs**;

- 5.3 In the event of a **Settlement** prior to the commencement of trial at no cost to the **Insurer** and there being no claim under this **Policy** then the **No Claims Bonus** shall be payable by the **Insurer** to the **Insured**. Under no circumstances will there be any return of the **Premium** other than when the **No Claims Bonus** is payable.
- 5.4 the **Insurer** shall not be liable to make any payment in respect of VAT on any **Litigation Costs** payable under this **Policy** unless they are satisfied that the VAT cannot be recovered by either the **Insured** or the **Opponent** as relevant;
- 5.5 in the event of the **Insured** becoming insolvent, bankrupt, upon the appointment of a receiver or administrator, or upon the making of any arrangement with its creditors, the **Insurer** reserves the right to terminate this **Policy** and no payment will be due by the **Insurer** under the terms of this **Policy**;
- 5.6 in the event that the **Premium** is paid at the conclusion of the **Legal Action**, then upon any settlement or upon acceptance of a payment into **Court**, or upon the **Litigation** being terminated by virtue of any other reason, or upon judgment being handed down, any **Premium** that would otherwise be paid at the conclusion of the Legal Action will become payable forthwith irrespective of whether such **Premium** is recovered from the **Opponent** as part of any order for costs;

6. **INDEMNITY LIMIT**

6.1 the **Insurer** shall not be liable to pay more than the amounts specified in the **Schedule** under items 8 & 9 in respect of **Opponent's Costs** and **Insured's Costs**, such sums to be inclusive of interest and subject always to the **Indemnity Limit** after payment by the Insured of the **Deductible** and any **Premium** due and any unpaid fee in relation to a **Deed of Indemnity**. In the event that there is a **Deed of Indemnity** any payments made by the **Insurer** under the **Deed of Indemnity** shall be included within and not be additional to the **Indemnity Limit**;

7. **MATTERS VITIATING THIS POLICY**

7.1 this **Policy** shall be vitiated in the event of the following:

7.1.1 any material misrepresentation or misdescription by the **Insured** and/or the **Legal Representatives**;

7.1.2 any fraudulent or false request for payment by the **Insured** and/or the **Legal Representatives** or where there is collusion between the Opponent and the Insured and/or the **Legal Representatives**. In such circumstances, any **Premium** paid or payable to the **Insurer** shall be forfeited;

7.1.3 any breach of the warranties contained in clause 1 of this **Policy**;

8. **EXCLUSIONS**

No indemnity shall be provided by the **Insurer** in respect of:

8.1 any costs or expenses incurred by the **Insured** or the **Legal Representatives** in providing information requested by the **Insurer** in deciding whether cover will be provided;

8.2 any **Litigation Costs** payable by the **Opponent** or any other party to the **Legal Action** (or **any Related Proceedings**) pursuant to any compromise, Order of the **Court** or Judgement in the **Legal Action** (or **any Related Proceedings**) whether or not such costs are actually paid by the **Opponent** or any other party to the **Legal Action** (or **any Related Proceedings**).

8.3 any **Litigation Costs** caused by:

8.3.1 failure by an **Insured** to co-operate with or to follow the advice of the **Legal Representatives**;

8.3.2 any delay or default on the part of an **Insured** or the **Legal Representatives**;

8.3.3 the disability/death of the **Legal Representatives** or the Judge or Official adjudicating the **Legal Action**;

- 8.3.4 any unreasonable conduct on the part of an **Insured**;
- 8.4 any costs where the **Insured** or the **Legal Representatives** are entitled to an indemnity under any other **Policy** of insurance except in respect of any amount in excess of that covered by the other policy of insurance and this policy shall not apply and the **Insurer** will have no obligation to indemnify unless and until any other policy of insurance has been paid out in full;
- 8.5 any expenses incurred by the **Insured**, its servants, agents, employees, or related companies in the conduct of the **Legal Action** including but not limited to witness expenses and administration of the **Legal Action**;
- 8.6 any **Deductible** payable by the Insured as specified in the **Schedule**
- 8.7 any **Litigation Costs** incurred after the discovery and notice to the Insurer of any matters of fact or evidence which seriously reduce the **Insured's** prospects of success in the **Legal Action** so that continuation of the **Legal Action** becomes unviable unless incurred with the prior written consent of the **Insurer**. For the purposes of this sub-clause the Insured and/or the Legal Representatives are obliged to notify the Insurer of such discovery being made within 7 days thereafter by telephone, email or fax;
- 8.8 any **Litigation Costs** incurred or to be incurred in connection with an application by the **Opponent** for security for costs;

- 8.9 any **Litigation Costs** incurred in the **Legal Action** if it is stayed, discontinued, abandoned or withdrawn by virtue of either the **Insured's** or the **Opponent's** lack of funds;
- 8.10 any **Insured's Costs** incurred prior to inception of this Policy;
- 8.11 in respect of **Opponent's Costs** incurred as a result of a failure by the **Insured** to beat any payment into **Court** equal to or in excess of the **Settlement Figure** unless the prior written consent of the **Insurer** has been obtained to the continuance of the proceedings after payment into **Court** has been made;
- 8.12 any **Litigation Costs** incurred by virtue of any counterclaim made against the **Insured** other than any counterclaim already disclosed by the **Insured** prior to inception, unless the **Policy** has been extended by **Endorsement** to include such counterclaim;
- 8.13 any **Opponent's Costs** or **Insured's Costs** where **Damages** and/or costs have been awarded to the **Insured** in the **Legal Action** or in **Related Proceedings** save to the extent that the **Opponent's Costs** and **Insured's Costs** exceed the **Damages** and/or costs payable to the **Insured** and subject always to the **Indemnity Limit** and the **Insured's** obligation to apply any **Damages** and/or costs received firstly to repay **Insured's Costs** of the **Legal Action** and secondly to **Opponent's Costs**;
- 8.14 any **Opponent's Costs** or **Insured's Costs** in circumstances where the liability for **Opponent's Costs** and/or the **Insured's Costs** has been brought about by a lack of co-operation by the **Insured** and/or the **Insured** has failed to follow legal advice given

and/or failed to conduct the proceedings reasonably;

8.15 any **Litigation Costs** incurred by virtue of any negligence or default on the part of the **Legal Representatives**;

8.16 any **Litigation Costs** directly or indirectly caused by, consisting of, or arising from the failure, defect or default of any computer, data processing equipment or media microchip, operating systems, microprocessors (computer chip), integrated circuit or similar device, or any computer software, computer equipment and/or non-computer equipment whether or not the property of the **Insured**, and/or their **Legal Representatives**, or any of the parties to the **Legal Action**, or any of the **Legal Representatives** of those parties, or any other persons in any way connected with the **Legal Action** whether or not occurring before, during or after the Year 2000 and whether or not concerned with a failure to be Year 2000 compliant. For the purposes of this clause, Year 2000 compliant means that the computer hardware and software will conform to the requirement of BSI Document Disk PD 2000 - 1 or any amendment thereto;

8.17 any **Litigation Costs** relating to any appeal proceedings, unless the policy is amended by endorsement;

9. NOTICES

- 9.1 save for the purposes set out in sub-clause 8.7, all communications and notices to the **Insurer** from the **Insured** should be sent by facsimile and post to the following party:

First Legal Indemnity Limited
42 Crutched Friars
London EC3N 2AP
Telephone: 0207-977-1408
Facsimile: 0207-977-1409
Email: info@firstlegal.co.uk

Attention: Bernard Clarke

- 9.2 all communications and notices from the **Insurer** to the **Insured** shall be deemed to have been duly received if sent by facsimile or post to the **Legal Representatives** by the **Insurer** or the **Insurer's** representative;

10. SEVERAL LIABILITY NOTICE

- 10.1 the subscribing **Insurer's** obligations under the **Policy** to which they subscribe are several and not joint and are limited solely to the extent of their individual subscriptions. The subscribing **Insurer** is not responsible for the subscription of any co-subscribing **Insurer** who for any reason does not satisfy all or part of its obligations.

11. **PRIVILEGE AND EXCLUSIVE BENEFIT**

11.1 this **Policy** and **Schedule** together with the **Proposal**, declarations and statements connected to it are made in contemplation of **Legal Action** and/or after commencement of **Legal Action** and are legally professionally privileged. Any waiver of that privilege in respect of this **Policy** and **Schedule** shall not constitute waiver of that privilege in respect of other documents. This **Policy** is for the exclusive benefit of the **Insurer** and the **Insured** and no other party shall have any right of action under this **Policy**;

12. **ASSIGNMENT**

12.1 the **Insured's** rights under this **Policy** shall not be assigned without the prior written consent of the **Insurer**, which may be withheld at the absolute discretion of the **Insurer**;

13. **DISPUTES**

13.1 any disputes between the **Insurer** and the **Insured** shall be referred to a single arbitrator who shall be a Queen's Counsel experienced in the subject matter of the **Legal Action** who shall be agreed between the parties, or in the absence of agreement, one who is nominated by the President of the Law Society of England & Wales;

13.2 the arbitration shall take place in London and shall take the form of written and/or oral submissions (at the discretion of the arbitrator) by the **Insurer** and the **Insured** and the decision of the arbitrator shall be final and binding;

13.3 the arbitrator shall have the power to award costs and any costs payable by the **Insured**

to the **Insurer** shall not be recovered under this **Policy**;

14. **GOVERNING LAW**

14.1 the **Insured** and the **Insurer** agree that this **Policy** will be governed by and subject to the laws of England and Wales.

15. **DATA PROTECTION**

15.1 QBE Insurance (Europe) Limited records and holds data in accordance with the Data Protection Act 1998 and for the purpose of the Act, the Data Controller in relation to any personal data you supply is QBE Insurance (Europe) Limited. QBE may find it necessary to pass data to other firms or businesses that supply products and services associated with this contract of insurance.

Further, by accessing and updating various databases we may share information with other firms and public bodies, including the police, in order to substantiate information and prevent or detect fraud. If you provide false or inaccurate information and QBE suspects fraud this fact will be recorded and the information will be available to other organisations that have access to the databases.

IN WITNESS whereof this **Policy** is signed for and on behalf of the **Insurer** on the date stated in the **Schedule**.

SCHEDULE

POLICY NO. FLIL []

Date []

Item 1 THE INSURED

Item 2 ADDRESS OF THE INSURED

Item 3 THE INSURER

Item 4 ADDRESS OF THE INSURER

Item 5 TYPE OF INSURANCE

Item 6 PERIOD

From [] to conclusion of **Legal Action**.

Item 7 INTEREST

Insurer agrees to pay on behalf of the **Insured**:

- a) all **Insured's Costs** incurred after [] but only if the Insured fails to achieve an award of monetary relief in the **Legal Action** at court which is sufficient to pay all **Insured's Costs**, or if any **Settlement** agreed in writing by **Insurers** is insufficient to cover all **Insured's Costs** incurred after [].
- b) all **Opponent's Costs** which the **Court** orders the **Insured** to pay, or which **Insurers** agree to pay, to the **Opponent**.

Item 8 AMOUNT COVERED FOR OPPONENT'S COSTS

£

Item 9 AMOUNT COVERED FOR **INSURED'S COSTS** £

Item 10 **INDEMNITY LIMIT** £

Item 11 **OPPONENTS**

Item 12 **THE LEGAL REPRESENTATIVES**

Item 13 **LEGAL ACTION**

The Legal Action means any claim or claims made from time to time by any party, whether such claim is made as an applicant, Opponent or cross-claimant or otherwise, in this matter or in any court proceedings or arbitration which replaces this matter.

Item 14 **THE JURISDICTION**

Item 15 **THE COURT**

Item 16 **THE PREMIUM** £

Item 17 **INSURANCE PREMIUM TAX @ 5%** £

Item 18 **TERMS OF PAYMENT OF PREMIUM**

Item 19 **NO CLAIMS BONUS** Nil

Item 20 **THE DEDUCTIBLE** £

Item 21 **CONDITIONS** - as per **Policy** wording

Item 22 INFORMATION

THIS IS TO CERTIFY that the **Insurer**, in the proportions underwritten by them which are available on application, and in consideration of the premiums specified herein, the Insurers are hereby bound, each for their own part and not one for another, to insure in accordance with the terms and conditions contained herein or endorsed hereon.

EU Disclosure Clause (UK): Notice to the Proposer/Insured. The Parties are free to choose the law applicable to this Insurance Contract. Unless specifically agreed to the contrary this Insurance shall be subject to English Law. Any enquiry or complaint should be addressed to **First Legal Indemnity Limited**. Any complaints which cannot be resolved to your satisfaction by First Legal Indemnity should be made in writing to the Managing Director, QBE Insurance (Europe) Limited, Plantation Place, 30 Fenchurch Street, London, EC3M 3BD. Please see attached complaints procedure for QBE Insurance (Europe) Limited.

IN WITNESS WHEREOF this **Policy** has been signed at LONDON

on

By
(*Authorised Signatory*
on behalf of Insurer)

ENDORSEMENTS TO POLICY

Details of Endorsements

By
(*Authorised Signatory
on behalf of Insurer*)

Date

By
(*Authorised Signatory
on behalf of Insurer*)

Date

Complaint Procedure

QBE Insurance (Europe) Limited strives to provide an excellent service to all its customers but occasionally things can go wrong. QBE takes all complaints seriously and endeavours to resolve all customers' problems promptly.

To ensure its service meets customers' expectations all comments received are recorded and analysed to facilitate continuous improvement to its service.

What you should do?

The steps you should take if you are not satisfied:

1. If you have a question or complaint about this insurance or the conduct of your intermediary please contact your intermediary in the first instance:
2. If you wish to contact QBE directly then please contact us at our Head Office as follows:

Managing Director
QBE Insurance (Europe) Limited
Plantation Place
30 Fenchurch Street
London EC3M 3BD
Tel: 020 7105 4000
Fax: 020 7105 4009
Registered in England No. 1761561

3. If you are still not satisfied please write to:

Chief Executive Officer
QBE Insurance (Europe) Limited
Plantation Place
30 Fenchurch Street
London EC3M 3BD
Tel: 020 7105 4000
Fax: 020 7105 4009
Registered in England No. 1761561

Please quote your policy number or claim number as appropriate in any correspondence

4. If, after making a complaint, you feel that the matter has not been resolved to your satisfaction and you are an eligible complainant:

- you may contact:

The Financial Ombudsman Service
South Quay Plaza 2
183 Marsh Wall
Docklands
London E14 9SR

- if you are not an eligible complainant then the informal complaint process ceases.

Making a complaint to the Financial Ombudsman Service (FOS) does not affect your rights under this policy.

What QBE will do if you complain

Following a full investigation a nominated representative will attempt to resolve your complaint and reply, with a decision, within 5 working days after receipt of your complaint.

In cases requiring a more detailed investigation it may not be possible to reach a decision within this timeframe. If this is the case QBE will contact you and provide an estimated date for a decision. In any event this will not be longer than 20 working days from the date of your complaint.

If you remain dissatisfied with the outcome you may write to QBE's Chief Executive Officer. If you are still unhappy with the decision you may have a right to refer the complaint to the FOS.

The FOS will only consider a complaint if QBE have been given an opportunity to resolve it and you are an eligible complainant. Eligible complainants are a

- private policyholder, or
- commercial policyholder or charity with a turnover under £1m, or
- trust with assets under £1m

If eligible, and QBE have not responded with a decision within 40 days, you may refer the complaint directly to the FOS.

Please note that if you wish to refer your complaint to the FOS this must be done within 6 months of the QBE final response letter.